

2008 PRESIDENT'S REPORT

April, 2009

Dear Credit Union Member:

While 2008 was a very challenging year for the credit union and its membership we have many accomplishments of which we can be proud.

During 2008 the Board of Directors looked very hard at providing you with more robust and enhanced products and services. Some of the ones for which we are most proud that were achieved during 2008 we:

1. Instituted an aggressive marketing campaign in an effort to increase the membership in the credit union and the services we offer our members.
2. Redesigned a more robust web site to better serve you – the member. Check it out at www.carfcu.org
3. Created an online membership application to allow prospective members the opportunity of joining with ease and safety
4. Created a loan application on line to enhance the service provided to the membership
5. Continued to offer better than competitive rates on shareholder deposits and attractive rates for our various loan products
6. Confirmed our association and relationship with our sponsor – GCAAR
7. Established a relationship for our members to obtain insurance products through the Duffy Insurance Group, including discounted Long Term Care Policies. Call them at 301-384-5000, or visit their website at www.duffyinsurancegroup.com.
8. Created a new club home purchase savings plan for the benefit of the members.

We are hopeful to be able to offer new additional products and services in 2009 such as:

- VISA credit card
- Overdraft protection
- E-statements – This service will be available beginning with your March bank statement. Go to www.carfcu.org to obtain your account statement.

Although we are all experiencing unprecedented economic challenges, rest assured that your credit union is here to provide you with the best of financial and personal services. Unlike many financial institutions that have been in the headlines during 2008, your investment in the Greater Capitol Area Realtors Federal Credit Union remains safe, secure and your deposits insured up to \$250,000. Unlike the banks and lending institutions that have appeared in the press, your credit union has no exposure to risky

loans. Our standards and lending policies have been maintained to exclude high risk loans. We also do not encourage our members to take on more debt than they could reasonably manage as this would not be in the best interest of the credit union and its shareholders.

We continue to receive good marks from the federal examiner – a 2 rating for the fourteenth consecutive year. We rely heavily on the advice and counsel of the federal examiner and continue to grow and prosper.

We are always looking for ways to better serve you with products and services that assist you with your financial decisions. If there is a way that we can better serve you please let us know.

It has been my privilege and honor to serve as the president of your credit union this past year. The decisions that we make are done with you, the member in mind. The board members are very active and forward thinking and I thank them for their ideas and suggestions that continue to make the credit union thrive and benefit you as a member.

Our staff, Tony and Nancy, continues to provide service to you in a professional and pleasant manner day in and day out. We thank them as well for their high level of commitment and service to the membership.

Respectfully submitted,

CAPITOL AREA REALTORS FEDERAL CREDIT UNION

Harold H. Huggins

HAROLD H. HUGGINS, CCIM, CPM, CRB, CRS, GAA, GRI, RECS

President and Chairman of the Board

“Enjoy the Credit Union Difference”